



PROVIDER BULLETIN

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Outpatient Hospital, Provider-Based RHC, and FQHC Bulletin National Drug Code Requirement

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National Drug Code (NDC) Required for All Drugs Dispensed

The Deficit Reduction Act of 2005 (DRA) requires states to collect rebates for certain physician-administered drugs. As a result, state agencies must now collect the 11-digit National Drug Codes (NDC) on all outpatient drug claims submitted to the MO HealthNet program from all providers for rebate purposes. To comply with the DRA, effective for dates of service on or after February 1, 2008, MO HealthNet will require the NDC(s), for all medications administered in the clinic or outpatient hospital setting. Providers will be required to submit their claims with the exact NDC that appears on the product dispensed or administered. The NDC is found on the medication's packaging and must be submitted in the 5 digits-4 digits-2 digits format. If the NDC does not appear in the 5-4-2 digit format on the packaging, a zero(s) (0) may be entered in front of the section that does not have the required number of digits.

Note: MO HealthNet's policies and pricing procedures have not changed with regard to injectables provided in the office or medications provided in the outpatient hospital setting. Please refer to the provider manuals available online at <http://www.dss.mo.gov/mhd/providers/> for policy guidelines for each program.

Outpatient Hospital Providers

Drug information is to be shown under Revenue code 0250 "Pharmacy" with the appropriate J-code and NDC of the drug dispensed. Only drugs and items used during the outpatient care in the hospital are covered. Take-home medications and supplies are not covered by MO HealthNet under the Hospital Program with the exception of up to two days supply due to pharmacy availability.

Claim Submission

Providers submitting drug information on an electronic Professional or Institutional ASC X12N 837 Health Care claim transaction or manually entering a claim into MO HealthNet's billing Web site, www.emomed.com, in addition to the NDC, the claim must include the J-code that best represents the NDC being billed. Claims submitted with J-codes only, without the corresponding NDC, will be denied. The system will automatically generate a separate claim for the NDC to process as a Pharmacy claim and will appear as a separate claim on your Remittance Advice. The corresponding J-code will be dropped from the claim unless an NDC is not provided, then it will remain to report the denied line.

Providers also have the option to submit a separate claim to report only the drug information by using the Pharmacy claim option at the MO HealthNet Billing Web site. This is the same option currently used by physician clinics when billing for injectables dispensed in their clinic. The J-code is not to be submitted when using this option.

For more detailed filing instructions, please see the "Help" option at the bottom of each claim form on the MO HealthNet Billing Web site or the X12N Version 4010A1 Companion Guide for the electronic 837 claims.

Note: Paper Pharmacy claims are not accepted by MO HealthNet. Any paper Pharmacy claims received will not be processed.

Clinical and Preferred Drug List (PDL) Edits

All drug claims are routed through an automated computer system to apply edits specifically designed to ensure effective drug utilization. The Preferred Drug List (PDL) and clinical edits are designed to enhance patient care and optimize the use of program funds through therapeutically prudent use of pharmaceuticals. The edits are based on evidence-based clinical criteria and available nationally recognized peer-reviewed information. This clinical information is paired with a fiscal evaluation, then developed into a therapeutic class PDL recommendation. The PDL process incorporates clinical edits, including step therapies, into the MO HealthNet drug program. Drug claims will automatically and transparently be approved for those patients who meet any of the system approval criteria. For those patients who do not meet the system approval criteria, the drugs will require a call to the MO HealthNet Drug Prior Authorization hotline at (800) 392-8030 to initiate a review and potentially authorize payment of claims. Providers may also use the CyberAccesssm tool to determine if a drug is a preferred agent or requires edit override; electronically initiate an edit override review; and to review a participant's MO HealthNet paid claim history. To become a CyberAccesssm user, contact the ACS-Heritage help desk at (888) 581-9797 or (573) 632-9797 or send an E-mail to MoHealthNetCyberaccess@heritage-info.com. More information regarding the clinical edits, the Preferred Drug List and other pharmacy related programs can be found at www.dss.mo.gov/mhd/cs/pharmacy/index.htm. PDL and clinical edits are currently applied to Pharmacy drug claims submitted by Physician Clinics.

Quantity Dispensed

The quantity to be billed for injectables and other types of medications dispensed to MO HealthNet participants must be calculated as follows:

- Containers of medication in solution (for example, ampules, bags, bottles, vials, syringes) must be billed by exact cubic centimeters or milliliters (cc or ml) dispensed, even if the

quantity includes a decimal (e.g., if three (3) 0.5 ml vials are dispensed, the correct quantity to bill is 1.5 mls).

- Single dose syringes and single dose vials must be billed per cubic centimeters or milliliters (cc or ml), rather than per syringe or per vial.
- Ointments must be billed per number of grams even if the quantity includes a decimal.
- Eye drops must be billed per number of cubic centimeters or milliliters (cc or ml) in each bottle even if the quantity includes a decimal.
- Powder filled vials and syringes that require reconstitution must be billed by the number of vials.
- Combination products, which consist of devices and drugs, designed to be used together, are to be billed as a kit. Quantity will be the number of kits used.
- The product Herceptin, by Genentech, must be billed by milligram rather than by vial due to the stability of the drug.
- Non-VFC Immunizations and vaccines must be billed by the cubic centimeters or milliliters (cc or ml) dispensed, rather than per dose.

Radiopharmaceuticals

The radiopharmaceutical policy has not changed and will continue to be billed under procedure codes A4641 "Radiopharmaceutical, diagnostic, not otherwise classified" and/or A9699 "Radiopharmaceutical, therapeutic, not otherwise classified".

Provider Bulletins are available on the MO HealthNet Division (MHD) (Formerly the Division of Medical Services) Web site at <http://dss.mo.gov/mhd/providers/pages/bulletins.htm>. Bulletins will remain on the Provider Bulletins page only until incorporated into the [provider manuals](#) as appropriate, then moved to the Archived Bulletin page.

MO HealthNet News: Providers and other interested parties are urged to go to the MHD Web site at <http://dss.missouri.gov/mhd/global/pages/mednewssubscribe.htm> to subscribe to the electronic mailing list to receive automatic notifications of provider bulletins, provider manual updates, and other official MO HealthNet communications via E-mail.

MO HealthNet Managed Care: The information contained in this bulletin applies to coverage for:

- MO HealthNet Fee-for-Service
- Services not included in MO HealthNet Managed Care

Questions regarding MO HealthNet Managed Care benefits should be directed to the patient's MO HealthNet Managed Care health plan. Before delivering a service, please check the patient's eligibility status by swiping the MO HealthNet card or by calling the Interactive Voice Response (IVR) System at 573-635-8908 and using Option One.

**Provider Communications Hotline
573-751-2896**